

MEDIA RELEASE

Property prices rising slower this year

AUCKLAND, 3 October 2014 – The strong rise in property asking prices has slowed down markedly in recent months, according to Realestate.co.nz, New Zealand’s largest online database of homes for sale. Over the last year, the national asking price for properties increased by only 3.9%, compared to an 8.7% increase in the preceding year.

At the same time, the available inventory of homes for sale remains well below the long-term average. The number of homes for sale in New Zealand has been below the long-term average since January 2012. This is especially apparent in Auckland, where the inventory sits at 15 weeks of available stock, well below the long-term average inventory of 27 weeks. This means that if no new listings appear and sales continue at the current rates, it would take only 15 weeks for all available Auckland homes on the market to be sold.

“We’re in the best position to track the available inventory and asking price variations, as Realestate.co.nz has over 20% more homes for sale on our database than our closest New Zealand competitors. This includes 96% of all homes listed through real estate agents in the country,” says Paul McKenzie, Marketing Manager of Realestate.co.nz.

Usually at this time of year, the number of new listings increases strongly every month. While the usual spring trend is evident again, the increases are not as dramatic as in previous years. “The number of new listings in August was lower than the norm, and it’s the same again in September, with 10,408 homes coming onto the market. However, new listings often peak in October and November, and we still expect a marked increase in the supply of homes for sale over the coming months,” says McKenzie.

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Interest, prices remain high

Even though asking prices for properties are no longer rising at the same high rate as before, the prices are still growing and remain at a high level. Nationally, the average asking price of \$484,791 is still close to the record of \$490,550 set in June this year.

The average asking price in Waikato is virtually identical to the record of nearly \$395,000 set in July, while the price in Auckland is once again above \$700,000, exceeding that monthly mark for only the third time. Unlike the rest of the country, the average asking price is still rising strongly in Auckland, where home-owners now expect to sell their properties for 10% more than a year ago.

Despite the high prices and relatively low number of homes on the market, buyer interest remains strong. "Last month, Realestate.co.nz had 75% more* unique daily visitors in September compared to a year ago," says McKenzie.

** Based on Nielsen Average Daily UB comparison Sept 2013 – Sept 2014*

About Realestate.co.nz

Realestate.co.nz is the official website of the New Zealand real estate industry, and provides the most comprehensive selection of licensed real estate listings across all categories of real estate. Realestate.co.nz lists more than 130,000 properties each year, representing more than 96 per cent of all listings currently marketed by real estate professionals.

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Property Asking Price for September 2014 **\$484,791**
Compared to prior month **0.1%**



